DEPARTMENT OF FISHERIES

REVIEW OF ACTIVITIES 1982

Department of Fisheries
Government of Newfoundland and Labrador
HON. JIM MORGAN, Minister

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1982

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DEPARTMENT

The Newfoundland and Labrador Department of Fisheries, through a variety of policies and programs operates to safeguard and promote the Province's interests in the reasonable and orderly utilization of its fisheries resource. In so doing it assists those engaged in the fishing industry to avail of opportunities that enable them to earn a fulfilling livelihood.

The Minister is the Honourable Jim Morgan, while the Deputy Minister is Ray Andrews. Two Assistant Deputy Ministers, Leslie Dean and Herb Goudie, P. Eng., who are each responsible for a seperate Branch within the Department, report to Mr. Andrews. Also reporting to Mr. Andrews are Special Projects Advisor, Alf Pike; Liaison Officer, Gordon Weeks; and, in the absence of an Assistant Deputy Minister for Administration, the Director of Administration, Joe Dunphy.

Mr. Dean is the Assistant Deputy Minister responsible for Development. Five Division Directors report to him: Launcelot Shirley, Director of Field Services; Dr. Hubert Squires, Director of Program Planning and Review; Harold Murphy, Director of Fishing Operations; Reginald Kingsley, P.Eng., Director of Fisheries Technology; and Paul Rose, Director of Product and Market Development. Mr. Goudie is the Assistant Deputy Minister for Facilities and Services. Two Division Directors report to him: Brett Wareham, Director of Incentives and Assistance; and Harry Meadus, P.Eng., Director of Engineering and Facilities.

The Chairman of the Fisheries Loan Board is Fred Pike and the present Chairman of the Fishing Industry Advisory Board is Frank Dopplinger. Both Mr. Pike and Mr. Dopplinger report to the Minister.

During 1982 there was one major administrative change within the Department. Mr. Andrews, the former Assistant Deputy Minister for Administration, was appointed Deputy Minister, replacing Gordon Slade who

resigned to take up a position with the Federal Government. Directors reporting to Mr. Andrews - Dr. Squires and Mr. Shirley - were transferred to Mr. Dean.

A review of the Department commenced late in 1982.

LANDINGS/LANDED VALUE 1982

SPECIES	MT's	(+,- 1981)	$	(+, - 1981)
Cod	301,080	+55,821	100,427,034	+17,010,130
Haddock	1,722	-4,370	559,207	-221,186
Redfish	25,566	-7,058	4,640,198	-98,772
Halibut	536	+242	672,268	+311,674
Flounder & Soles	70,000	-8,643	19,154,925	-966,322
Greenland Turbot	19,335	-4,688	5,076,750	-273,776
Pollock	1,031	-10	174,157	+2,338
Hake	842	-291	109,798	-28,181
Catfish	3,067	+255	580,267	+41,259
Lumpfish*	23	-167	729	-5,543
Other	2	-2	182	-232
Groundfish (Total)	423,204	+31,189	131,395,515	+12,721,292
Herring	13,149	-11,605	2,800,268	-2,575,685
Mackerel	316	-6,615	56,944	-949,839
Salmon	1,317	-593	4,676,578	-2,013,932
Skate	177	-958	12,545	-55,813
Smelts	10	+7	9,427	+8,531
Caplin	33,631	+5,073	7,340,147	+2,590,125
Char	250	-39	228,181	-38,826
Trout	22	-	21,382	-5,561
Dogfish	362	-197	43,946	-18,009
Other	37	-17	47,033	+3,500
Pel. & Est. (Total)	49,271	-44,494	15,236,451	-3,065,529

SPECIES	MT's	(+,- 1981)	$	(+,- 1981)
Clams	-	-	120	-
Mussels	-	-	-	-
Scallops	638	-1,151	819,841	-699,178
Squid	10,553	-6,911	2,014,603	-489,409
Lobsters	2,008	-368	9,798,032	-900,775
Crabs	13,407	-797	7,965,631	+297,721
Shrimp	3,761	+568	4,145,750	+687,532
Moll. & Crus. (Total)	30,367	-8,664	24,743,977	-1,105,177
Grand Total	502,842	+7,581	171,375,943	+8,600,586

* Lumpfish carcasses only. Total landings of lumpfish roe reached 1.75 million lbs. with a landed value of $576,563.00. This is an increase of approximately 100,000 lbs and $63,000.00 respectively over 1981.

Source: Federal Department of Fisheries and Oceans. 1982 statistics are preliminary and subject to revision.

Overall 1982 was a good year for the harvesting sector with total landings and landed values up over the previous year. Total groundfish landings and landed values, assisted by significant increases in the landings and landed value of cod, increased dramatically helping to offset declines in the total landings and landed values of both pelagic and esturial, and mollusc and crustacean species. The increase in the landings and landed value of cod also helped offset declines with respect to most other groundfish species. With the exception of flounder and soles, these declines were for the most part marginal.

Significant declines in the landings and landed values of herring, mackerel and salmon contributed to overall declines with respect to pelagic and esturial species. However, the magnitude of this decline was partially offset by a significant increase in the landings and landed value of caplin and by a modest increase with respect to smelt.

The same pattern was evident for molluscs and crustaceans species with only shrimp showing an increase in landings and landed value. The increase in the landed value of crab, despite a decrease in total landings, and a modest decrease in the landed value of squid, compared to a significant decrease in landings both indicate price increases to fishermen for these species over 1981.

PROGRAM PLANNING AND REVIEW

(Inshore Fisheries Baseline Survey)

The collection of inshore fishery data from Point May to Cape Bonavista by consultants Sheppard, Hedge and Greene was concluded in 1982. Processing of the data by Beothic Data Systems was completed towards the end of the year and a completed report is expected by the end of March 1983. During this coming year experimental manipulation of the data will take place to determine its usefulness under various circumstances. It is honed that the data can be updated every three years.

(Environment)

Staff reviewed registrations for all projects submitted for screening under the Environmental Assessment Act. In addition, staff served on Environmental Assessment Committees for the following projects: Lake Michael Hydro Project, Grand Codroy River Causeway, Little Grand Lake Forest Harvesting (Abitibi Price), Little Grand Lake Forest Harvesting (Bowater), Portage Lake Access Road, St. Anthony Airport, Southwest Lake Forest Access Road, Upper Humber/Main River Logging, and the Argentia Service and Supply Base.

(Systems Development Activities)

Systems development activities were related to vessel design (stability) application, the Fishing Industry Advisory Board's pricing system and harvesting cost system and the Fisheries Loan Board loan accounting system. In addition, work began on the revision of the Department's mailing list aimed at developing a more comprehensive list with a greater selection capability.

In addition to the above activities, the Division assessed fish resources available with respect to project proposals for funding from processors and participated in the Department of Fisheries and Oceans' Fisheries Management Plan meetings.

(Lumpfish)

Total landings were in excess of 1.7 million pounds, an increase of nine percent over 1981. Landings along the south coast reached their highest level ever, largely as a result of increased interest by fishermen in exploratory fishing conducted by the Department in previous years. However, landings along the northeast coast continued to be low. During 1982 exploratory fishing was conducted in the Burgeo and Fortune areas with promising results. In conjunction with the Department of Fisheries and Oceans a tagging program was conducted in an attempt to determine the status of the lumpfish resource.

(Sharks)

A total of 35 basking sharks were reported caught through gear entanglement with this entanglement resulting in considerable cost to affected fishermen. Liver sales from these sharks reached 31,680 lbs. at a price of 75 cents per kilo.

Market assistance was provided to fishermen and upon request from a number of fishermen, heavy gillnets were constructed for the purpose of actively fishing for basking sharks. Further efforts were made to promote basking sharks and porbeagles through the provision of assistance to companies interested in marketing the carcass, and shark harvesting and processing information was made available to interested companies with encouraging early product tests.

(Snow Crab)

An experimental snow crab project was undertaken in Fortune Bay involving three 52 ft. longliners fishing 200 crabpots each for 30 days. The total catch amounted to 21,009 kgs. with 14,191 kgs. being of commercial size.

(Whelks)

A survey for whelks was conducted in St. Anthony Bight on the northern peninsula using Japanese designed pots (similar to crab pots). Over a two week period 327 pots were hauled producing 7,229 whelks with a total weight of 355.9 kgs.

(Eels)

Total landings reached 75,865 lbs. which is only an estimated one-tenth of the potential eel resource in the province. Of this total, 32,000 lbs. (silver eels) came from Central and Eastern Newfoundland where development work was undertaken through the increase of fishing gear and the provision of advice on its method of operation. The remaining 43,865 lbs. (yellow eels) came from the Bay St. George region.

To develop this resource potential a harvesting plan is needed to allow for consistent landings and to prevent population over exploitation. As well, it is essential that there be an established buyer.

(Squid Trap Fishery)

Herring and mackerel traps were issued to fishermen on the Burin and Bonavista Peninsulas and in Conception Bay to help alleviate the shortage of squid bait. Approximately 20,000 lbs. were landed and shared among local fishermen.

(North East Coast Draggers)

A total of four vessels fished intermittently from May to December with total catches of over one million pounds. Trials in the Musgrave Harbour area proved most encouraging with landings up to 25,000 lbs./day during October. Technical assistance with respect to gear type suitable to vessel type and bottom conditions continued to be provided to fishermen upon request.

(Pandom Baiting Machines)

Locally developed baiting machines which allow longline fishermen to increase the amount of gear used were demonstrated in 18 communities. Although a bait scarcity and a poor longline fishery curtailed fishing activities substantially, requests for baiter demonstrations continued. Practically all areas of the Province have now had a first hand look at this equipment.

(Longlining Demonstrations)

Poor weather during the early spring season hampered fishing demonstrations with two vessels, one in Bonavista Bay and the other in Notre Dame Bay.

(Hauling Systems for Inshore Vessels)

In eastern Labrador, Icelandic gillnet/longline haulers were installed on three tran boats in the 25-30 foot range. These haulers will enable more efficient gear usage.

A gillnet lifter was installed on a 58 ft. gillnetter from Eastport, Bonavista Bay fishing out of Makkovik. Compared to the rear end type hauler, net damage was reduced and fish quality improved. Further testing will be continued in 1983 following minor alterations.

(Technical Assistance)

Technical assistance was provided to 20 fishermen in 15 communities throughout the Province. This assistance varied from gear construction to gear operation.

(Quality)

In cooperation with the Department of Fisheries and Oceans involvement in the Bonavista Peninsula Quality project continued - mainly through financial support in the hiring and training of dockside graders. Marked improvements in the quality of the landed product were reported as a result of onboard bleeding, gutting, washing and icing.

To test the effect of gillnet haulers on fish quality, a total of 17 tests were made onboard longliners in the Fogo and Bonavista areas using both rear-end and Crossley haulers. Results, based on landed groundfish quality grades used in the dockside grading program at Bonavista and Fogo Island showed the rear-end gurdy caused a drop in Grade "A" of 16 percent and the Crossley hauler a drop of 4 percent. The hauler located at the tail immediately in front

of the gurdy was found to cause substantial damage to fish.

(Labrador Vessels)

Two vessels, the 34 ft. longliner, M.V. Oggaksuk and the 25 foot aluminum vessel, M.V. Valencia were operated for demonstration purposes in Labrador. The Oggaksuk was leased to a Labrador fisherman fishing out of Nain from July 15 - October 31. Total landings were: turbot - 24,129.1 kgs., cod - 7,012.3 kgs., char - 90.9 kgs., and salmon - 11.4 kgs.

The Valencia was leased to a fisherman from Cape St. Charles and was used to fish salmon and cod with nets and a codtrap. In 45 fishing days from July 2 - September 11, total catches were: cod - 5,344.5 kgs., and salmon - 35.5 kgs.

(Aquaculture)

Aquaculture activities were, in the main, carried out jointly with the Program, Planning and Review Division. These activities included: the trial introduction of lobsters in Labrador; the provision of a $15,000 grant as well as other assistance and advice to the Hopeall Trout Farm; the provision of assistance and advice to mussel and scallop farm operations in Marystown, Harbour Breton and Winter Tickle; the provision of information to development associations and individuals in Stephenville, Bay of Islands, Indian Bay, Springdale and Cupids; and, the provision of information on the Department's aquaculture activities to a number of bodies including the British Columbia Department of Environment and the Ontario Trout Farmers Association.

In addition a directory of Canadian Mollusc Culturists was compiled for inclusion in a world directory being compiled by the World Mariculture Society.

FISHERIES TECHNOLOGY

(Harvesting)

A new otter trawl was fished experimentally on an offshore trawler in a directed fishery for flounder. Compared with another of the Company's vessels fishing the same area the trials resulted in significant improvements to catch rates and further work is planned for 1983.

Three new trawls were constructed for the inshore dragger fleet. Fishing trials with two provided satisfactory results and further monitering of all three will take place during 1983.

Further work aimed at improving the efficiency of the longline fishery through the use of monofilament lines in conjunction with an automatic hook baiting device was carried out. The system was used under normal fishing conditions for six weeks with positive results.

Limited trials with a cod purse seine on a 53 foot vessel yielded catches of 3,000 and 4,000 pounds. More comprehensive trials are planned for 1983.

An evaluation of hexagonal mesh netting in a caplin purse seine showed satisfactory operating results, particularly with respect to pursing behavior in deeper water. Further comparisons with traditional nets will be conducted in 1983.

The underwater filming of a cod trap in operation was completed. The video tape shows cod entering and leaving the trap.

The Division provided engineering services and supervision for the construction of a lobster holding facility aimed at the feasibility of short term storage of live lobsters in the province.

In an attempt to reduce incidents of fish damage when hauling nets modificiations were made to a standard gillnet gurdy. Initial trials were encouraging and further work will be conducted in 1983.

(Vessel Development)

Installation of a refrigeration unit on a crab vessel was completed and resulted in reports of significant quality improvements. Similar systems are now being fitted in a fish plant holding room and on other crab vessels.

In response to increasing interest in the seakeeping qualities of fishing vessels a number of outrigger stabilizer arrangements for various vessels were designed and a set of aluminum stabilizers were constructed for evaluation purposes.

Work was completed on the design drawings of a 60 foot steel crabfishing vessel and a 65 foot wooden crab boat. In addition, approximately 50 sets of drawings for various types of vessels were issued to fishermen and boatbuilders throughout the Province.

In connection with the Fisheries Loan Board "General Uniform Specifications" for wooden vessels 10 tons and up were drafted. Incorporated into these were the new "Scantling Regulations" which along with the specifications allow for more flexibility in the vessel structure in the context of the type of wood and the size of structural members.

(Glen Clova)

Under an agreement and assistance from the Federal Government, the 90 ft. automated longliner, the Glen Clova, was purchased by the Department in the United Kingdom and arrived in St. John's in August. The vessel will be used to determine and demonstrate the effectiveness of this type of vessel in the middle distance fishery. Initial trials were conducted during the late fall and further testing is expected to resume in early spring.

PRODUCT AND MARKET DEVELOPMENT

(Promotions)

The quality and variety of Newfoundland seafood was promoted at Newfoundland seafood festivals which were undertaken in association with major hotel chains at hotels in Toronto, Montreal, Edmonton and Calgary. These successful promotions were aimed at developing new markets for the Province's seafood.

(Processing Technology/Product Development)

Laboratory work was conducted in association with a local company in the development of fish protein concentrate, which is used as an additive in food mixtures.

Experimental work and test marketing was carried out in the production of various surimi based products. Surimi is a finely minced and bleeched fish product which can be used as a substitute for fish in battered and shaped seafood products.

As the result of growing local interest activities were ongoing with respect to stockfish processing technology.

In cooperation with a local processor, funds were provided for the construction of a lobster holding unit. Also, assistance was provided to a group of companies to hire a quality control supervisor to oversee production of the group's brandname groundfish line.

Work continued in refining the production of canned seal stew and other seal meat projects and marketing activities are under review.

Research was also conducted on the smoking of rainbow trout.

(Trade Shows)

The Division coordinated the participation of local companies at Federal Government sponsored seafood marketing shows in New York and Boston.

(Secondary Processing Interest Subsidies)

Interest subsidies were provided to two companies which expanded their crab processing facilities.

INCENTIVES AND ASSISTANCE

(Facilities)

During the year this division held control over a total of 216 facilities. These included: 100 fish handling facilities, approximately 60 of which were leased; 50 baited gear holding units, four of which were leased, while the remainder were under various fishermen's committees; 28 small boat slipways; 19 marine service centres; four marine haulouts; four gear sheds; and, one barge. Discussions were undertaken with the Federal Government for the transfer of responsibility of 19 of the small boat slipways to their Small Crafts Harbours Division.

Marine Service Centres carried out their usual activities including providing storage for a total of approximately 700 boats during the winter of 1982. During the summer the Cartwright Marine Service Centre became operational and there are eight boats stored there for this winter. As well, the operation of the marine haulouts was integrated into the Marine Service Centre operations.

The barge, Labrador I, operated at Smokey dispensing fuel, ice and water to a significant number of longliners fishing the area from Cape Harrison South to the White Bears. The barge was also used as a buying station for fish buyers, particularly the Labrador Fishermen's Union Shrimp Company, and some fish was salted onboard early in the season.

A total of approximately $925,000 in revenue was generated during the year.

(Northern Labrador Fish Plants)

The operation of two processing plants, one at Nain and one at Makkovik,

generated approximately $1.2 million in revenue for the local economies.

The plant at Nain serviced fishermen from Nain and Davis Inlet. It purchased 180,000 lbs. of char, 58,600 lbs. of salmon, most of which went into a frozen product, and produced 1,873 lbs. of scallops and 400 quintals of salted codfish. The 112 fishermen serviced were paid a total of $222,000, 85 employees a total of $145,000 and an additional $55,000 was paid to collector vessels.

The Makkovik plant serviced fishermen from Makkovik, Hopedale, Postville, as well as from outlying island fishing stations. It purchased 49,000 lbs. of char, 67,000 lbs. of salmon, 3,700 lbs. of brook trout and produced 536,000 lbs. of salted cod. The 177 fishermen serviced were paid a total of $478,000, 126 employees a total of $254,324.79 and collector boats a total of $58,000.

During 1982 four collector boats were used, one less than 1981. This year any fresh product from Davis Inlet was transported by CN.

(Licencing/Programs)

A total of 224 fish processors licences ($41,300), 373 fish buyers licences ($9,325) and 121 shellfish buyers licences ($3,025) were issued for a total revenue of $53,650. A total of 14 companies received temporary approval to process additional species or operate new facilities and six conditional licences were granted. There are currently 24 applications on file for additional species or new licences to be considered once the freeze on the issuance of additional processing licences has been lifted.

A total of 137 applications were processed under the inshore fishing gear program for Labrador residents for a total expenditure of $44,247.81 while 37 applications were processed under the inshore fishing gear longliner program for a total expenditure of $42,135.09.

The Cod Trap Component Replacement Program was implemented. In co-operation with the Department of Social Services, 71 leaders (25 fathoms long) and 16 bottoms (63 fathoms on the round) were constructed. These parts

are available at cost price to fishermen who experience codtrap loss or damage due to ice. storms or whales.

ENGINEERING AND FACILITIES

The Division operated on a budget of approximately $2.5 million, with new capital works comprising approximately $2 million of this total. The remainder consisted of approximately $425,000 for maintenance and repair and $75,000 for professional services.

A variety of projects were carried out under the capital works program. Regional ice making facilities with ice making capacities of 30 tons per day were completed at Port Saunders and Old Perlican and new facilities started at Durrells and Bonavista. Community stages were constructed at Keels, South East Bight, Allan's Island and Bay L'Argent; and baited trawl facilities at Burgeo, Bay Bulls, Francois, Aquaforte, Belleoram, Lumsden South, Little Bay East, Jackson's Arm and Fogo Island. Other projects include gear, salting, tool and storage, and generator sheds, salt water systems and other miscellaneous improvements and extensions to facilities.

Grants, as supplements to funding from other sources and usually of approximately $5,000 each, were provided to fishermen's committees and other local organizations to assist in the purchase of materials and special services necessary to complete local fishery related projects.

In addition, approximately 22 fisheries access roads were upgraded.

Maintenance and repair of Departmental fishing facilities was carried out as required. During the past year this involved approximately 100 facilities.

FISHERIES LOAN BOARD

A. Loans

	No.	Loan Amount	Total Cost*
Vessels over 35'	73	$ 7,040,000	$ 9,724,000
Vessels under 35'	285	2,654,000	3,334,000
Engines/Equipment	316	1,910,000	2,175,000
Total	674	$11,604,000	$15,233,000

Included in the above are 28 loans, totalling $5.6 million which were approved under the Bank Loan Guarantee Program. All loans in excess of $50,000 are obtained by the fisherman through the Chartered Banks with the Board subsidizing the interest rate on these loans in the amount of the difference between the rate of interest charged by the bank and the rate of interest charged by the Board under its own Loan Program. Loans of less than $50,000 are processed and funded directly by the Board.

During May the interest rate charged by the Board was increased to 12 percent.

B. Bounties (Grants)

To assist new construction of small boats 10 tons and less underdeck (usually 35' and under)	179	$278,000
To assist new construction of large boats over 10 tons underdeck (usually over 35')	14	$564,000
Total	193	$842,000

* Including downpayment, subsidies, etc.

C. General

Streamlining of Board functions continued during 1982. Changes were made to the Loans Processing System to speed up the processing of fishermen's applications. To assist fishermen who needed financing of engines and equipment on an emergency basis, a regulatory change was implemented to permit a fisherman to obtain an engine/equipment loan through a chartered bank and to later apply to the Board for refinancing.

With respect to vessel technical activities, standard specifications for wooden boats in excess of 10 tons underdeck were completed and published and work is now progressing on similar specifications for fibreglass and steel vessels. The used boat appraisal system was changed to a replacement cost system bringing the amount the Board can finance for used boats closer to true market value.

In addition changes were introduced to the assignment of catch system, a system whereby fishermen can service their debt during the time of year when they can most afford to. Response from fishermen has been positive.

FISHING INDUSTRY ADVISORY BOARD

During 1982 the Board successfully implemented the first full scale cost collection programs for fixed gear inshore fishermen and fish processors.

Concerning fishing costs, interviews were conducted with a carefully selected sample of 300 vessel owners representing a total of approximately 1,000 fishermen. The interviews involved the completion of a detailed questionnaire on all details of their 1981 fishing operations. In relation to fish processing comprehensive information on 1981 fish purchases, production and labour costs as well as financial statements about company operations was collected from 27 processing companies representing a total of

approximately 80 processing plants involved in both the inshore and offshore fishery. This data is being analyzed and processed to become the foundation for a fisheries economic data bank to be updated on an annual basis. Data collection for the 1982 season has already been initiated.

The overview of U.S. and worldwide market conditions for species and products of interest to the Newfoundland fishery continued. Prices received for lobster by Newfoundland fishermen were monitored and compared with lobster prices in the Boston marketplace. In addition a considerable amount of basic information on market returns and miscellaneous cost data affecting both fishermen and fish processors was collected. This data includes New York and Boston market prices for selected groundfish and shellfish products; fresh fish prices paid to fishermen in Newfoundland and the Maritimes: world exchange rates; and retail prices for selected inshore fishing gear and equipment. Most of this data has now been computerized and based on it the Board provides monthly reports on market conditions. Also, a new annual gear price information bulletin for fishermen was introduced at "Marine 82", a further issue of which is scheduled to be made available this spring.

A detailed survey of the existing fish marketing system and marketing practices in the Newfoundland fishery was undertaken and a report submitted to the Kirby Task Force, together with other relevant information on costs and earnings for fishermen.

A "Bookkeeping Guide for Incorporated Fishermen" was prepared by Mr. Howie Hamilton of Fisheries Management Services in Gander; and the annual distribution of the "Record Book for Fishermen" was continued.

The Board provided the Workers' Compensation Board with an analysis of profit margins in the salmon and lobster business and provided an extensive presentation to a seminar on fish quality for government officials.

POOR

QUALITY

ORIGINAL